

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2004-95-S**

RECEIVED  
2004 MAR 31 PM 2:34  
SC PUBLIC SERVICE  
COMMISSION

IN RE:

Application of South Carolina Utilities,  
Inc. for adjustment of rates and  
charges for the provision of  
sewer service.

**APPLICATION**

South Carolina Utilities, Inc. ("Applicant" or "Company") would respectfully show unto, and request of, the Commission as follows:

**BACKGROUND**

1. Applicant is a corporation organized and existing under the laws of the State of the State of South Carolina.

2. Applicant is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2003), providing sewer service to the public for compensation in the Gem Lakes Subdivision of the unincorporated area of Aiken County, South Carolina, pursuant to rates approved by the Commission in Order No. 91-886, dated March 27, 1991, in Docket No. 90-550-S.

3. All communications or inquiries regarding this Application should be directed as set forth below:

a. **Applicant's Representative:**

Mr. Steven M. Lubertozzi, CPA  
Director, Regulatory Accounting  
Utilities, Inc.  
2335 Sanders Road  
Northbrook, Illinois 60062-6196

b. **Legal Counsel:**

John M. S. Hoefer, Esquire  
K. Chad Burgess, Esquire  
Willoughby & Hoefer, P.A.  
Post Office Box 8416  
Columbia, South Carolina 29202-8416  
803-252-3300

**REQUEST FOR RATE RELIEF**

4. Pursuant to S.C. Code Ann. §§ 58-5-210 *et seq.* (1976), Applicant requests that the Commission approve the sewer charges set forth in the four (4) page rate schedule attached hereto and incorporated herein by this reference as Exhibit "A." As required by S.C. Code Ann. § 58-5-240(A) (Supp. 2003), Applicant has heretofore provided more than thirty (30) days notice of its intent to seek a rate adjustment, said notice being dated January 12, 2004 and on file with the Commission.

**SUPPORTING DOCUMENTATION**

5. Applicant proposes a test year of January 1, 2003 to December 31, 2003 and has prepared certain financial statements relating to that time period in support of the Application, which statements are attached hereto and incorporated herein by this reference as Exhibit "B," pages 1 through 4. These financial statements include the following:

- a. Balance Sheet (Schedule A)
- b. Current and pro forma income and expense statements (Schedule B)
- c. Rate base and rate of return information (Schedule C). See note "C" thereto.

Applicant also submits, as Exhibit "B" pages 5 through 7, the following information in support of the Application:

- d. Sewer consumption analyses (Schedule D)
  - e. Sewer proposed revenues (Schedule E)
  - f. Schedule of current and projected customers (Schedule F)
6. Attached hereto and incorporated herein by this reference as Exhibit "C" is the most recent approval letter from the South Carolina Department of Health and Environmental Control ("DHEC").
7. Attached hereto and incorporated herein by this reference as Exhibit "D" is the Company's current customer bill form.
8. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720 (Supp. 2003).
9. A map depicting Applicant's current service area is on file with the Commission.<sup>1</sup>
10. The financial statements, the other documents submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rules R. 103-512.4 and R. 103-712.4 and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.<sup>2</sup>

#### **NEED AND JUSTIFICATION FOR RATE RELIEF**

11. Applicant submits that the proposed rate increase is necessary in order that it may provide reasonable and adequate service to its customers, cover its expenses, and be permitted an

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<sup>1</sup>As noted above, the Applicant's service area is limited to a single subdivision in the unincorporated area of Aiken County.

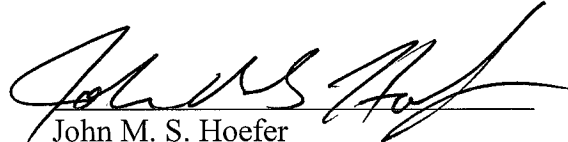
<sup>2</sup>Because Applicant utilizes a composite depreciation rate of 1 ½%, no depreciation schedule by categories of plant or average service lives exists. The Applicant will, of course, make available to Commission Staff during its audit copies of the Company's depreciation workpapers.

opportunity to earn a reasonable return on its investment. As the Commission is aware, Applicant has pending before the Commission in Docket No. 2003-0250-S a petition for approval of an interconnection agreement between Applicant and the City of Aiken by which, *inter alia*, bulk sewer transportation and treatment service would be provided to the Applicant for its authorized sewer service territory. The instant Application is necessitated in order to establish the financial condition of the Company so that the Commission may consider the Company's need for rate relief, which would include a collection only sewer service charge and a pass-through of the bulk service charges levied by the City of Aiken under the contract that is the subject of Docket No.2003-0250-S.

#### **REQUEST FOR RATE BASE TREATMENT**

12. Applicant further submits that given its substantial plant investment, and specifically the rate base reflected on Schedule C of Exhibit "B," Applicant is entitled to have the reasonableness of its proposed rates determined in accordance with the rate of return on rate base methodology. Accordingly, Applicant requests rate base treatment in this proceeding.

**WHEREFORE**, having fully set forth its Application, South Carolina Utilities, Inc. prays that the Commission approve the rates proposed and grant to Applicant such other and further relief as the Commission may deem just and proper.



John M. S. Hoefer

K. Chad Burgess

**WILLOUGHBY & HOEFER, P.A.**

Post Office Box 8416

Columbia, South Carolina 29202-8416

803-252-3300

Attorneys for South Carolina  
Utilities, Inc.

This 31<sup>st</sup> day of March, 2004  
Columbia, South Carolina

**Exhibit "A"**  
**SOUTH CAROLINA UTILITIES, INC.**

**SCHEDULE OF PROPOSED RATES AND CHARGES**

**SEWER**

**1. Monthly Charges**

Charge for Sewage Collection Service Only (All Areas)

Sewage is collected by the Utility and transferred to a government body or agency, or other entity for treatment. The Utility's rates for collection service are as follows:

Residential - monthly charge per single-family house, condominium, mobile home, or apartment unit	\$ 83.90 per unit
Commercial – monthly charge	\$ 83.90 per SFE*

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

The Utility will also charge for transportation and treatment services provided by the government body or agency or other entity. The rates imposed or charged by the government body or agency or other entity providing treatment will be charged to the Utility's affected customers on a pro rata basis, without markup.

In the case of a landlord/tenant relationship where the tenant is the customer, the Utility may require the landlord to execute an agreement wherein such landlord agrees to be responsible for all charges billed to that premises in accordance with the approved tariffs and the Rules of the Commission, and said account shall be considered the landlord's and tenant's account. In the event the landlord refuses to execute such an agreement, the Utility may not discontinue service to the premises unless and until the tenant becomes delinquent on his account or until the premises are vacated. The Utility may discontinue service pursuant to R.103-535.1 if the account is delinquent or may discontinue service at the time the premises are vacated and the utility shall not be required to furnish service to the premises until the landlord has executed the agreement, and paid any reconnection charges.

**1. Non-recurring Charges**

A) Sewer service connection charge per SFE*:	\$200.00
(plus any governmental tap, impact or connection charges)	

The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating of a non-residential customer is less than one (1). If the equivalency rating of a non-residential customer is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for, or at the time connection to the sewer system is requested.

Where the Utility is required under the terms of a 201/208 Plan or other governmental requirement to interconnect to the sewage system of a government body or agency or other entity and tap/connection /impact fees are imposed by that entity, such tap/connection/impact fees will also be charged to the Utility's affected customers on a pro rata basis, without markup.

## 2. Notification, Account Set-Up and Reconnection Charges

- a. Customer Account Charge: A fee of twenty-five dollars (\$25.00) shall be charged as a one-time fee to defray the costs of initiating service. This charge will be waived if the customer also takes water service.
- b. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of two hundred fifty dollars (\$250.00) shall be due prior to the Utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-532.4. The amount of the reconnection fee shall be in accordance with R.103-532.4. and shall be changed to conform with said rule as the rule is amended from time to time.
- c. Notification Fee: A fee of four dollars (\$4.00) shall be charged each customer to whom the Utility mails the notice as required by Commission Rule R. 103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.

## 4. Billing Cycle

Recurring charges will be billed bimonthly in arrears. Non-recurring charges will be billed and collected in advance of service being provided.

## 5. Late Payment Charges

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half percent (1 1/2 %) for each month, or any part of a month, that said payment is late.

6. Tax Multiplier

Except as otherwise provided by contract approved by South Carolina Public Service Commission, amounts paid or transferred to the utility by customers, builders, developers or others, either in the form of cash or property, shall be increased by a cash payment in an amount equal to the income taxes owed on the cash or property transferred to the utility by customers, builders, developers, or others and properly classified as a contribution or advance in aid of construction in accordance with the Uniform System of Accounts. Included in this classification are water service connection charges and plant impact fees.

7. Toxic and Pretreatment Effluent Guidelines

The Utility will not accept or treat any substance or material that has not been defined by the United States Environmental Protection Agency ("EPA") or the South Carolina Department of Environmental Control ("DHEC") as a toxic pollutant, hazardous waste, or hazardous substance, including pollutants falling within the provisions of 40 CFR 129.4 and 401.15. Additionally, pollutants or pollutant properties subject to 40 CFR 403.5 and 403.6 are to be processed according to pretreatment standards applicable to such pollutants or pollutant properties, and such standards constitute the Utility's minimum pretreatment standards. Any person or entity introducing any such prohibited or untreated materials into the Company's sewer system may have service interrupted without notice until such discharges cease, and shall be liable to the utility for all damages and costs, including reasonable attorney's fees, incurred by the utility as a result thereof.

8. Construction Standards

The Utility requires all construction to be performed in accordance with generally accepted engineering standards, at a minimum. The Utility from time to time may require that more stringent construction standards be followed.

9. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its water. However, anyone or entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, pay the appropriate fees and charges as set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service.

PAGE 4

In no event will the Utility be required to construct additional wastewater treatment capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding wastewater treatment capacity to the affected sewer system.

\* A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Health and Environmental Control Guidelines for Unit Contributory Loading for Domestic Wastewater Treatment Facilities – 25 S.C. Code Ann. Regs. 61-67 Appendix A (2003 Supp.) Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee.



**South Carolina Utilities, Inc. (Gem Lakes)**

**BALANCE SHEET**

December 31, 2003

**Schedule A**

ASSETS

Plant In Service  
Sewer

\$ 615,690

Total

\$ 615,690

Accumulated Depreciation-Sewer

(135,836)

Total

\$ (135,836)

Net Utility Plant

\$ 479,854

Plant Acquisition Adjustment-Sewer

0

Total

\$ 0

Construction Work In Process-Sewer

0

Total

\$ 0

Current Assets

Cash

0

Accounts Receivable - Net

15,101

Other Current Assets

0

Total

\$ 15,101

Deferred Charges

0

**TOTAL ASSETS**

\$ 494,956

LIABILITIES AND OTHER CREDITS

Capital Stock and Retained Earnings

\$ 288,818  
(346,216)

Common Stock and Paid In Capital  
Retained Earnings

\$ (57,398)

Total

Current and Accrued Liabilities

Accounts Payable-Trade 1,230  
Taxes Accrued 7,798  
Customer Deposits 2,855  
Customer Deposits - Interest 2,859  
A/P - Assoc. Companies 403,588

Total

\$ 418,329

Advances In Aid of Construction  
Sewer

0

Total

\$ 0

Contributions In Aid of Construction  
Sewer

32,011

Total

\$ 32,011

Unamortized ITC

0

AccDeferred Tax - Federal

102,780

Deferred Tax - State

(767)

Total

\$ 102,013

**TOTAL LIABILITIES AND OTHER CREDITS**

\$ 494,956

South Carolina Utilities, Inc. (Gem Lakes)  
Sewer Operations  
Test Year Ended December 31, 2003

Schedule B  
Page 1 of 2

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
<u>Operating Revenues</u>					
Service Revenues - Water					
Service Revenues - Sewer	\$ 87,190	\$ -	\$ 87,190	\$ 223,072 [a]	\$ 310,262
Miscellaneous Revenues	(252)		(252)		(252)
Uncollectible Accounts	(246)		(246)	(629) [b]	(875)
Total Operating Revenues	86,692	0	86,692	222,443	309,134
<u>Maintenance Expenses</u>					
Salaries and Wages	4,877	3,881 [c]	8,758	0	8,758
Purchased Power	15,127	(13,615) [k]	1,513	0	1,513
Purchased Sewer & Water	0		0		0
Maintenance and Repair	16,325	(5,440) [k]	10,885		10,885
Maintenance Testing	4,871		4,871	0	4,871
Meter Reading	0		0		0
Chemicals	0		0	0	0
Transportation	1,377		1,377	0	1,377
Operating Exp. Charged to Plant	(18,367)	18,367 [l]	0	0	0
Outside Services - Other	90,052		90,052	0	90,052
Total	114,263	3,193	117,455	0	117,455
<u>General Expenses</u>					
Salaries and Wages	6,326	4,112 [c]	10,438	0	10,438
Office Supplies & Other Office Exp.	10,152	0	10,152	0	10,152
Regulatory Commission Exp.	0	20,725 [d]	20,725	0	20,725
Pension & Other Benefits	2,292	183 [c]	2,475	0	2,475
Rent	0		0	0	0
Insurance	1,119		1,119	0	1,119
Office Utilities	1,025		1,025	0	1,025
Miscellaneous	1,518		1,518	0	1,518
Total	22,431	25,020	47,451	0	47,451
Depreciation	12,170	43,372 [f]	55,542		55,542
Taxes Other Than Income	9,831	(1) [g]	9,830	669 [g]	10,499
Income Taxes - Federal	(45,973)	(9,549) [h]	(55,522)	71,633 [h]	16,111
Income Taxes - State	(6)	(8,589) [h]	(8,595)	11,089 [h]	2,494
Amortization of CIAC	(737)	42 [f]	(696)		(696)
Total	(24,715)	25,275	559	83,391	83,950
Total Operating Expenses	111,979	53,487	165,466	83,391	248,857
Net Operating Income	\$ (25,287)	\$ (53,487)	\$ (78,774)	\$ 139,052	\$ 60,278
Interest During Construction	0	0 [i]	0	0	0
Interest on Debt	17,502	11,502 [j]	29,004	0	29,004
Net Income	\$ (42,789)	\$ (64,989)	\$ (107,778)	\$ 139,052	\$ 31,274

- [a] Revenues are annualized at proposed rates using the average test year customers.
- [b] Uncollectible Accounts are adjusted based on the percentage of uncollectible accounts to revenues in the test year applied to pro forma proposed revenues.
- [c] Salaries, Wages and Benefits are adjusted to annualize as of 12/31/03.
- [d] Regulatory Commission Expense has been adjusted to reflect the cost of the current rate case over 3 years.
- [f] Depreciation and Amortization Expense are annualized; Includes extraordinary depreciation for retirement of plant.
- [g] Taxes Other than Income is adjusted for annualized payroll taxes, Utility Commission Taxes, and Gross Receipts Taxes.
- [h] Income Taxes are computed on taxable income at current rates.
- [i] AFUDC is eliminated for rate making purposes.
- [j] Interest on Debt has been computed using a 59.23% / 40.77% debt / equity ratio and a 7.28% cost of debt.
- [k] Adjustments are a result of decreasing expenses associated with discontinuing operation of wastewater treatment plant
- [l] Operator capitalized time

South Carolina Utilities, Inc. (Gem Lakes)  
Sewer Operations  
Rate Base and Rate of Return  
Test Year Ended December 31, 2003

Schedule C  
Page 1 of 1

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	(25,287)	(53,487)	(78,774)	139,052	60,278
Gross Plant In Service	\$ 615,690		615,690	0	615,690
Accumulated Depreciation	(135,836)	(3,011)	(138,847)	0	(138,847)
Net Plant In Service	479,854	(3,011)	476,843	0	476,843
Cash Working Capital	18,316	3,526 [a]	21,842	0	21,842
Contributions In Aid of Construction	(32,011)	0	(32,011)	0	(32,011)
Accumulated Deferred Income Taxes	(102,013)	0	(102,013)	0	(102,013)
Customer Deposits	(2,855)	0	(2,855)	0	(2,855)
Plant Acquisition Adjustment	0	0	0	0	0
Water Service Corporation	10,121	0	10,121	0	10,121
Pro Forma Plant	0	301,081 [b]	301,081	0	301,081
Total Rate Base	\$ 371,412	\$ 301,596	\$ 673,008	\$ 0	\$ 673,008
Return on Rate Base	-6.81%		-11.70%		8.96%

[a] Working Capital is calculated based on pro forma expenses.

[b] Pro Forma Plant is adjusted for planned additional capital investments to interconnect with Aiken.

[c] The Return on Rate Base shown above is provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any return on equity). Applicant will make its request for a return on rate base (and return on equity) by way of evidence to be introduced at hearing.

Plant by Categories:

12/31/00

3011001	ORGANIZATION	-
3033020	LAND & LAND RIGHTS (Pump Plt)	-
3036010	LAND & LAND RIGHTS	-
3042011	STRUCTURES & IMPROVE.(Source Sup)	-
3043021	STRUCTURES & IMPROVE.(PUMP.PLT.)	-
3044031	STRUCTURES & IMPROVE.(WTR. T.P.)	-
3072014	WELLS & SPRINGS	-
3113025	ELECTRIC PUMPING EQUIPMENT	-
3204032	WATER TREATMENT EQUIPMENT	-
3305042	DISTRIB. RESERVOIRS & STANDPIPES	-
3315043	TRANSMISSION & DISTRIB. MAINS	-
3335045	SERVICE LINES	-
3345046	METERS	-
3345047	METER INSTALLATIONS	-
3355048	HYDRANTS	-
3391088	UNIFORMS	\$ -
3406090	OFFICE STRUCTURES & IMPROVEMENTS	-
3406091	OFFICE FURNITURE & EQUIPMENT	-
3446095	LABORATORY EQUIPMENT	-
3466094	TOOLS, SHOP & MISC. EQUIPMENT	-
3466097	COMMUNICATION EQUIPMENT	-
Sub-Total		\$ -
3537002	LAND & LAND RIGHTS	1,653
3542011	LIFT STATION	554
3547003	BUILDINGS & STRUCTURES	3,047
3547012	SPRAY IRRIGATION FACILITIES	304,539
3602006	SEWAGE SERVICE LINES	24,089
3602007	FORCE OR VACUUM MAINS	751
3612008	SEWER MAINS	108,254
3612010	MANHOLES	2,704
3804004	SEWER LAGOONS	3,857
3804005	SEWAGE TREATMENT PLANT	164,506
3917000	Transportation	-
3406010	Mainframe Computer	-
Total Plant		\$ 615,259

**SEWER**

<u>Bill code</u>	<u>Gallonage</u>	<u>Usage Charge</u>	<u>Units</u>	<u>Rate</u>	<u>Revenues</u>
<u>All Subs:</u>					
Residential			3,698	\$ 23.50	\$ 86,903
			0	\$ -	\$ -
			0	\$ -	\$ -
			0	\$ -	\$ -
Total			<u>3,698</u>		<u>\$ 86,903</u>

per t/b	\$	87,190
difference \$	\$	(287)
difference %		-0.33%

South Carolina Utilities, Inc. (Gen. Lakes)  
PROPOSED REVENUES

Schedule E

**SEWER**

<u>Bill code</u>	<u>Gallonage</u>	<u>Usage Charge</u>	<u>Units</u>	<u>Rate</u>	<u>Revenues</u>
<u>All Subs:</u>			<u>Units</u>	<u>Rate</u>	<u>Revenues</u>
Residential			3,698	83.90	\$ 310,262
Total			<u>3,698</u>		<u>\$ 310,262</u>

South Carolina Utilities, Inc. (Gem Lakes)

Schedule F

	<u>Current Customers</u>	<u>Projected Customers</u>
Sewer	308	308

BOARD:  
Elizabeth M. Hagood  
Chairman  
  
Mark B. Kent  
Vice Chairman  
  
Howard L. Brilliant, MD  
Secretary



C. Earl Hunter, Commissioner  
*Promoting and protecting the health of the public and the environment.*

BOARD:  
Carl L. Brazell  
  
Louisiana W. Wright  
  
L. Michael Blackmon  
  
Coleman F. Buckhouse, MD

March 23, 2004

Mr. John M.S. Hoefler  
Willoughby & Hoefler  
PO Box 8416  
Columbia, SC 29202-8416

RE: Your letter of March 18, 2004  
S.C. Utilities (Gem Lakes S/D)  
ND0066893

Dear Mr. Hoefler:

This letter confirms that the referenced utility has a valid wastewater operating and discharge permit. The plant is authorized to land apply treated wastewater at a rate not to exceed 100,000 gpd.

I can be reached at 803-898-4157 or at debessjp@dhec.sc.gov.

Sincerely,

Jeffrey P. deBessonnet, P.E., Director  
Water Facilities Permitting Division

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MAR 25 2004

Willoughby & Hoefler, P.A.

Exhibit "C"

Page 1 of 1



Utilities, Inc and Affiliated Companies

SOUTH CAROLINA UTILITIES INC  
PO BOX 4539  
WEST COLUMBIA SC 29171-4539



Acct #  
Due Date  
Please Pay \$47.00

|||||  
SOUTH CAROLINA UTILITIES INC  
PO BOX 4539  
WEST COLUMBIA SC 29171-4539

Please return this portion with your payment.

Remittance Address:  
SOUTH CAROLINA UTILITIES INC  
PO BOX 4539  
WEST COLUMBIA SC 29171-4539

Customer Service Information Please Retain for Your Records  
For Service or Billing Inquiries Call:  
803-796-9545 OR 800-367-4314  
To Pay By Credit or Debit Card, Call 1-877-527-7852.  
A Convenience Fee Will Be Charged.

Account Information

Description of Charges

Account #		PRIOR BALANCE	\$0.00
Service Addr.		SEWER	\$47.00
Bill Date	02/27/04	Due Date	03/23/04
Prior Read	01/01/04		0
Current Read	02/29/04		0
Usage			0
# of days this period	59		
Average daily usage	0		
Average daily water cost	\$0.00		
Average daily sewer cost	\$0.80		
Last Payment	\$47.00		

1 1/2% PER MONTH WILL BE ADDED TO  
ALL AMOUNTS NOT PAID BY THE DUE DATE

\$47.00

\*\*\*\*\*  
IN THE EVENT OF A SEWER BLOCKAGE,  
PLEASE CALL OUR OFFICE BEFORE YOU CALL A PLUMBER.  
803-796-9545 OR 1-800-367-4314  
OUR EXPERIENCED OPERATIONS STAFF  
IS ON CALL 7 DAYS A WEEK/24 HOURS A DAY  
TO RESPOND TO YOUR CONCERNS.  
\*\*\*\*\*

TO HELP US MAINTAIN SECURITY SURROUNDING YOUR DRINKING WATER SYSTEMS,  
PLEASE CALL OUR OFFICE AND THE POLICE IF YOU NOTICE SUSPICIOUS ACTIVITY.

\*\*\*\*\*

PAYMENT OPTIONS

\*\*\*\* AVOID PAYING FEES TO ONLINE BILL PAYMENT CENTERS \*\*\*\*

WE CAN AUTOMATICALLY DRAFT YOUR PAYMENT FROM YOUR SAVINGS OR CHECKING  
ACCOUNT FREE OF CHARGE. CALL OUR CUSTOMER SERVICE DEPARTMENT FOR DETAILS.  
TO PAY BY VISA, MASTERCARD OR DEBIT CARD, CALL 1-877-527-7852. IN ADDITION,  
YOU MAY PAY OVER THE INTERNET BY ACCESSING PAYBYINTERNET.COM. YOU MUST  
INDICATE THAT YOU ARE MAKING PAYMENT TO UTILITIES, INC. OVER THE INTERNET.  
A CONVENIENCE FEE WILL BE CHARGED FOR CREDIT CARD AND INTERNET PAYMENTS.

Rate Schedule Available Upon Request

Exhibit "D"  
Page 1 of 1